

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 338** HLS 09RS 549
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: June 25, 2009 7:26 AM	Author: GREENE
Dept./Agy.: Revenue	
Subject: School Tuition/Expense Tax Deduction	Analyst: Greg Albrecht

TAX/INCOME TAX EN NO IMPACT GF RV See Note Page 1 of 1
Provides relative to the tax deduction for fees and other educational expenses for a quality public education

Current law allows a tax deduction for fees or other amounts paid to a public elementary or secondary school for a quality education which includes required uniforms, textbooks, curricula, instructional materials and, supplies. This is part of a broader set of tax deductions granted for expenses associated with public, private, and home schooling by Act 8 of the 2008 2nd Extraordinary Session.

Proposed law clarifies that the eligible expenses referred to above are associated with a student’s enrollment at a public elementary or secondary school, and are not strictly expenses made to a school, and that students (nonpublic, public, and home-schooled) qualify as a dependancy exemption on a taxpayer’s Louisiana income tax return. These changes are declared remedial, curative, procedural, and are to be applied retroactively as well as prospectively.
Effective upon governor's signature.

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

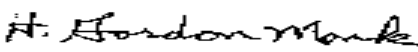
REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The estimated fiscal effect of the deductions allowed by Act 8 (some \$23 million exposure in FY10) were based on eligible expenses being made in general, and not expenses made strictly to a school, and all amounts were assumed to be appropriately deducted by Louisiana taxpayers. This bill is not expected to have a material effect on state revenue collections.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input type="checkbox"/> 13.5.1 >= \$500,000 Annual Fiscal Cost		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease	H. Gordon Monk Legislative Fiscal Officer